

HIG RFQ Questions

1. In determining yard mobile equipment needs, is there an expected volume, such as number of lifts, or number of containers NS has committed to be handled by this facility, both for startup and expected plans into the future? Any, other than NS, potential customers to be considered?

Yes, the facility will be served by NS with guaranteed train service for 3 days a week in each direction. There is no estimation on the number of lifts for the facility at start up. Once volumes reach 30,000 units in a year, NS will increase service to 5 days a week. There will be multiple other companies that will potentially look at the facility for their shipping needs.

2. What is the expected start-up date of the operation? (This is important since much of the equipment that needs to be purchased for the operation and the systems infrastructure can have a considerable lead time)

The construction contract is scheduled to end on December 15, 2015.

3. In reference to yard maintenance, would it be possible to get details on the design and any construction changes showing yard layout, rail track specifications, asphalt design with stripping layout and lighting equipment and layout, video camera system, and any buildings included in the current construction contract?

This information was provided in the form of an email. I am going to see if there have been any deviations from the plans that were sent. Some rail elevations may have changed and there will be additional paving on the tracks that were discussed in the meeting on November 24, 2014.

4. Who will the operator be contracted with for the facility – the WVDOT, the Norfolk Southern or both? If both, what portion of the operation will be contracted by each of the parties? (Is it correct to assume that WVDOT has made arrangements with NS to treat this as a private facility owned by WVDOT that will be served by NS and that the operator will be contracted with the WVDOT but must meet all of the operating requirements of NS)?

The operator will be contracted with the WV Public Port Authority. The other assumptions are correct this will be a private facility owned by the WVPPA, but the operator will be required to meet all NS requirements.

5. Concerning security plans, could we get details on current construction for fencing and gates included? Would it be possible to visit construction site and review construction plan?

Security plans were provided in the email attachment from November 24, 2014. Site visit was scheduled and completed on November 24, 2014.

6. What is the expected weekly volume for the operation in terms in inbound and outbound lifts? (This is important to determine equipment and staffing requirements)

The weekly volume is not known at this time. Marketing efforts are currently in process to begin building interest in the facility.

7. In developing railcar switching detail, planned railcar volumes and schedules, as well as the planned/constructed length of the rail lead tracks will be necessary to create a plan for equipment and process for intra terminal switching, if railcars / trains need to be moved by the operator.

The operator will be responsible for moving railcars on site. I believe the rail lead tracks length was answered in the onsite meeting. The volume and schedules are not known at this time.

8. What is the mix between domestic intermodal and international intermodal volume? (This is important as many of the domestic intermodal customers have a very specific time requirement for their shipments. They also tend to provide their own chassis and repair services. The mix of domestic and international traffic can also have an impact of the type of lift equipment required as there are several lift systems for domestic containers that are not used for lifting international containers; i.e. pin lift and WTP)

There is no known volume for the facility at this time. There will be a mix of domestic and international but I do not believe that will affect the lift equipment.

9. In consideration of maintenance requirements, are there warranties generated by the current construction contract which can / will be available to the terminal operator, either track or structure related.

There are no warranties generated by the construction. The work is being performed and overseen by the engineering division of the WVDOH.

10. What is the anticipated inbound and outbound train schedule for the facility? (This is also important to determine staffing and equipment requirements)

Schedules are not known, at this time, three day a week service will be provided in each direction at startup

11. Are there any specific requirements and /or possibility for connectivity with NS's existing operating system?

The plan is to utilize NS's System for the management of containers and shipments. I am currently awaiting email confirmation of their intentions.

12. Has a gate cut time been established for the outbound traffic and an availability time for the inbound traffic been established and, if so, what are they? (This is also important to determine how much time exists from the time an inbound train is switched into the facility until the loads must be available for pick up by the customer. The reverse is true on the outbound side by establishing the amount of time available from the cut off time at the gate until the outbound train departs. The shorter the time period in these two instances the greater the “stress” on the equipment and human assets.)

No schedules have been established at this time.

13. Any additional detail on goals for “lock and key system”?

It is the intention of the WVPPA to provide all necessary equipment to operate the facility. I have decided it would be in the best interest of the WVPPA to purchase all equipment including reach stacker, yard hostler, office equipment and furniture. We want to make it as seamless as possible for the operator to walk in and start operating the facility.

14. Will the facility operate as a wheeled or grounded operation? (This determines the type and quantity of lift equipment and yard hostlers that will be required. It can also have a bearing on the number of people required for the operation.)

It is the intention of the WVPPA to operate this facility as a ground operation.

15. On FTZ status, who owns the FTZ, has this site been activated within the FTZ and what if any additional site locations associated with this FTZ have current FTZ status?

The FTZ will be owned and managed by the WV Economic Development Authority. We are currently to establish an Alternative Site Framework for the area served by the Facility.

16. Based on the assumption the WVDOT will provide the equipment, what type of lift equipment will be used on the facility and how many lift machines are planned? (This will determine the nature of the operation and the skill sets that are needed.)

We will be utilizing Reach Stackers and Yard Hostlers on site. It would be our intention to have one of each and potentially backups.

17. What are the planned hours of operation for lift activity and gate activity? If the facility is a grounded facility, what are the live lift hours? (This information is necessary to determine the staffing and shift schedules. The longer the gate hours or lift hours, the more people are required – this is particularly true if weekend hours are anticipated)

This will be a daytime operation so an 8 or 9 a.m. till 5 or 6 p.m. is likely. We would also like to establish a procedure for potential night drops at the facility with advanced notice.

18. Will the Norfolk Southern provide their SIMS (Strategic Intermodal Management System) for this operation? Will handheld devices be available for the gate operation? Will the NS provide SIMS computers for the cranes and yard spotters? Will NS provide the necessary systems infrastructure to support the SIMS system including wireless antennas and repeaters? (NS is very particular about their system being used in conjunction with all of the intermodal rail activity on their network as it is an integral part of their billing, location, load planning, hazmat and other critical functions. Their systems security is also very tight so the implementation of their system into this operation will take time and planning. We have been involved in startup operations before where the systems aspect of the operation took longer than the physical side of the startup.)

We are getting confirmation on exactly the integration of the NS System and their time table for deployment.

19. What, if any, facilities will be available for crane and spotter maintenance; i.e. enclosed shop space, fluid storage (for fuel, lubricants, used oil, hydraulic fluid), wash pad with oil/water separator, lighting, parts storage? (We have found in some new facilities these amenities are not considered essential in the design of the facility but considering the repairs and maintenance that are required in all weather conditions, the absence of these amenities can pose real challenges (and additional costs) to the operator)

A maintenance facility is available and the storage and separators are onsite. Most of these questions were answered during the meeting of November 24, 2014.

20. Will there be any automated gate functions such as inspections or will the gate operation be manual?

Gate operations will be manual. This was discussed during the meeting of November 24, 2014.

21. What security features will be provided for the facility; i.e. lighting, fencing, cameras, crash gates, etc.?

Security plans were included in the email from November 24, 2014 and discussed at the meeting of the same date.

22. What level of responsibility will the operator have for security related losses at the facility? (As we discussed, word will get out if there is any perceived lack of security in a yard that will likely have desirable cargo that can be stolen. These losses can amount to \$100's of thousands of dollars if security isn't extremely tight. Experience has shown that guard services are not effective yet they are very costly.)

Considering the WVPPA is providing lighting, fencing, security cameras, and gates, there will be liability on the operator for stolen cargo.

23. Who will be providing the chassis for the operation if the Pritchard facility is going to be a mounted operation? Have arrangements been made with one of the chassis pool operators such as HRCPII to provide the equipment for the International equipment and, if so, which one? (Since the repair work that is contemplated on the chassis will, by necessity, be under an agreement with the chassis pool operator, it is critical to know who you would be dealing with for this part of the operation. Experience has shown chassis and container maintenance can be a costly proposition and one that rarely returns a profit to the contractor)

Discussion is on-going with the Port of Virginia on the chassis situation. This is a grounded operation as well.

24. Will the facility have a lunch room and locker room for the employees as well as an office for the Manager?

Yes.

25. Are there CAD drawings available for all proposed buildings? Can we get a CAD for Appendix B? Are there lighting, electrical distribution, water and sewer and natural gas services to the site and are schematics available?

We have provided a PDF Document that outlines all necessary information for the construction. This was sent in the email dated November 24, 2014. I am currently checking to see if there are some updated items. We do have CAD files and we will work to upload them to a site for download. But, the PDF should provide all necessary information.

26. Is the WVDOT supplying necessary fueling tanks and infrastructure? Will the WVDOT contract out all supplies through their vendor support system?

Yes, we are supplying fueling tanks and infrastructure. We will determine how best to supply the facility in the very near future.

27. The term of this agreement is described as five (5) years with two five (5) year options. Are these options solely for the WVDOT or could the operator also opt out of the Agreement after five years?

Yes, the operator can opt out.

28. Yard switching, maintenance of way, yard maintenance, railcar maintenance, taxes, fees, etc. are rarely the responsibility of the operator. Please advise how the WVDOT and NS are planning to address these issues.

Yard switching, maintenance of way, yard maintenance, minor railcar maintenance are the responsibility of the operator. Taxes and fees will need to be addressed on a more specific basis.

29. Ponding we believe is a serious question as relates to safety and your protection and could be a serious EPA Issue.

After speaking with our engineers I do not believe this is an issue and the WVPPA will be permitting the property and handling the permit requirements. The operator will be responsible for managing any potential leaks from equipment, but this should be mitigated with regular maintenance of the equipment that will be provided by the WVPPA.

30. Paving should be changed to concrete for weight issues.

Concrete poses additional problems when placed close to the railroad tracks. This issue was posed to our engineers and NS and they both feel that asphalt is the best solution for required maintenance near the tracks. There is also an issue with getting the proper thickness of concrete between the pad and tracks. Asphalt will be used between the pad and across the tracks.

31. Grade needs to be checked and verified.

The grade of the pad is being checked and verified. The reachstacker will also have the capability of swiveling the container into a perpendicular position to the tracks.

32. Drive in garage is needed for safety and state of the art facility.

After speaking with a dealer and manufacturer of reach stackers a majority of their machines are maintained outside. Considering the WVPPA will be providing a maintenance contract and the machines will be maintained by the dealer, this should not pose an issue. We believe it would be nice to have an indoor facility we will look at this issue as we move forward with the project.

33. Drive through inspection facility—we believe is sincerely a safety and a presentation of state of the art facility that you would want.

Again, we would like to present a state of the art facility but this is not practical at this point in time. This will be looked at as growth at the facility occurs.

34. Concern that rebar is so close to the top of the concrete that we are seeing gravel and rocks of concrete and this is prior to lifts being used.

The rebar is not close to the surface, the pad is made from roller compacted concrete.

35. Secondary tank protections

All protections of tanks have been addressed. The tanks have multiple linings and additional protections.

36. Has NS indicated that an on-site locomotive is a requirement?

NS has not specifically indicated that a locomotive is necessary, but the WVPPA feels that a locomotive will be necessary to move cars.

37. If a locomotive is required will the state provide a locomotive for use to move cars around the HIG?

No, the state will not be providing a locomotive.

38. What are the insurance specifications required by the State of the operator of the HIG?

The operator will be required to have insurance that covers their operations of the facility. The state will have insurance that covers the property and facilities.